



CITY OF SAN DIEGO

CHAIRPERSON'S REPORT

TO THE:

CITY COUNCIL STRONG MAYOR-STRONG COUNCIL TRANSITION COMMITTEE

Scott Peters, District 1, Chair
Vacant, District 2 Councilmember
Toni Atkins, District 3 Councilmember
Tony Young, District 4 Councilmember
Brian Maienschein, District 5 Councilmember
Donna Frye, District 6 Councilmember
Jim Madaffer, District 7 Councilmember
Vacant, District 8 Councilmember

DATE: August 2, 2005

ATTENTION: City Council Transition Committee
Meeting of August 4, 2005

SUBJECT: Establishing the Offices of Independent Budget Analyst (IBA) and Office of Legislative Analysis (OLA) (ITEM-2)

REFERENCES: Chairperson's Report dated July 14, 2005 on Revisiting the issues of Council Committees, the Legislative Analyst and Independent Budget Analyst, Chairperson's Report dated May 25, 2005 on Council Committee Structure, Chairperson's Updated Report dated May 23, 2005 on the Independent Budget Analyst and Legislative Analyst.

SUMMARY

Issues

1. Determine funding levels and select a funding scenario for IBA and OLA.
2. Determine which positions in the IBA/OLA should be classified versus unclassified
3. Determine which positions in the IBA/OLA should be hired immediately.
4. Begin a hiring process for certain positions.

Issue #1

Approve the Manager's proposed staffing level estimates and endorse funding scenario #1.

In addition to \$250,000 set aside in the FY06 annual budget (2-3 positions) and transfer of the "Council Budget Liaison," (1 position - originally created to serve the Council's departmental budget reviews in 2001), proposal #1 assumes that the remaining positions will be funded by taking resources from the Mayor's office (4 positions) and overhead departments (3-4 positions).

Scenario #2 - anticipates taking 1-2 positions from the Council offices and fewer from either Mayor or Manager's side.

Issue #2

Designate all positions in the IBA/OLA as unclassified?

There is general agreement that the actual IBA and Legislative Analyst (LA) should be unclassified given their specific duties. Staff recommends that the remainder be classified. This recommendation however, is inconsistent with current practice that all legislative staff members are unclassified regardless of position. The recommendation to make IBA/OLA staff unclassified would be subject to the concurrence of the Civil Service Commission.

Issue #3

Immediately begin the hiring process for the IBA in anticipation that the IBA will establish the remaining structure for IBA & OLA and hire those positions.

Alternatively, the Council could begin a hiring process for both IBA & LA

Issue #4

Establish a hiring process to select the IBA which is similar to the process used to select the new City Auditor including:

1. Use of an outside search firm.
2. Establish a subcommittee of three members of the City Council which would be responsible for: 1) selecting the search firm, 2) working with that firm to develop a description of the position, 3) conducting preliminary interviews and 4) recommending final candidates for the full Council to interview.
3. Final selection of the IBA will be made by the full Council.

DISCUSSION

The City Manager estimates the total cost of the first year of operation for the combined IBA and OLA to be \$1,033,000 including start up costs. All funding options recommended by the Manager include \$250,000 previously set aside in the FY 2006 budget as well as shifting the “Council Budget Liaison” position, established in 2001 to support the Council’s in depth departmental budget reviews, to the legislative branch. This accounts for \$380,000 of the overall total.

To fund the balance of the need, the Manager recommends two scenarios which draw from a combination of the Mayor’s office, City Council and Central Services Departments (General Fund Departments which provide services to other City departments). Both scenarios avoid departments providing service directly to the public. Funding Scenario #1 assumes no contribution from individual Council offices while Scenario #2 assumes a contribution of \$17,015 from each Council office.

The City Manager recommends that the IBA and the OLA be unclassified and the balance of the departmental personnel be classified arguing that the inclusion of classified staff will bring additional stability to the office. Currently, however, all positions within the legislative offices are unclassified given the nature of the work that they do.

The staff report provides a detailed description of a recruitment and hiring process which can be carried out either using the City’s human resources department alone, or with the assistance of an outside search firm. The recent successful hiring of the Auditor, which is also a selection of the City Council as opposed to the City Manager, provides a recent model which could be followed.

CONCLUSION

For the reasons outlined above, I recommend that the Transition Committee give direction to the City Manager to:

1. Approve the Manager’s funding estimates and endorse funding scenario #1
2. Begin a hiring process for the IBA.
3. Seek Civil Service Commission approval to designate all positions within the IBA/OLA as unclassified
4. Follow a search and hiring process for the IBA similar to that used to hire the City Auditor.
5. Establish a subcommittee of Councilmembers to guide that search

Respectfully submitted,

Councilmember Scott Peters
Chair, Council Transition Committee